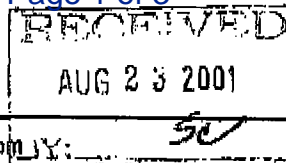


**HIGGINS ASSOCIATES**  
**CIVIL & TRAFFIC ENGINEERS**

1335 First Street, Suite A, Gilroy, CA 95020 • 408 848-3122 • fax 408 848-2202 • e-mail info@kbhiggins.com

August 15, 2001

Mr. Franco Mola  
DMA Gilroy Partners, LLC  
625 The City Drive, Suite 490  
Orange, CA 92868

RE: Village Green Estates Subdivision Project; City of Gilroy, California  
Off-Site Roadway Improvements - "Supplemental" Proposal

Dear Mr. Mola,

Per your request on August 9, 2001; we are pleased to provide this proposal to supplement our previous proposal (dated May 2, 2001) to extend the necessary scope of services to include the design of "off-site" improvements. In order to fully define the amount of work required to prepare a complete set of Plans, Specifications and Estimates (PS&E) for the "off-site" improvements contact was made with RBF Consulting to discuss the status of their work. At this time, it appears that RBF Consulting has not spent a significant amount of time working on the "off-site" improvements (ie: utility connections, roadway and intersection plans). Therefore, the following proposal is based on direction received exclusively from you and the City of Gilroy, without any input from either Santa Clara County (Santa Teresa Boulevard) or Caltrans (State Route 152 - Hecker Pass Highway). The following "Summary of Services" outlines the necessary tasks required to prepare a complete set of PS&E for the required off-site improvements along Santa Teresa Boulevard and State Route 152.

**SUMMARY OF SERVICES**

The following text presents a brief description of the individual tasks associated with the design of "off-site" improvement PS&E.

1. **Utility Data Collection** - This task includes obtaining copies of all RBF records for existing utility facilities required for the design of off-site improvements. This task will also include contact with the various utility companies to ensure that all available data is used for the development of "off-site" PS&E.
2. **Develop Base Plans** - This task includes the development of the appropriate base plan material for all required "off-site" utility and roadway improvements. All required survey data and electronic files required for the development of base plan material will be obtained from RBF Consulting.
3. **Finalize Conceptual Improvement Plans** - Based on the City's approval of the "Preliminary Design Report" (PDR) and preliminary conceptual plans, submit all conceptual "off-site" improvement plans to Santa Clara County and Caltrans for initial review and comment. This task includes all work required for approval of the conceptual plans by the County and Caltrans.

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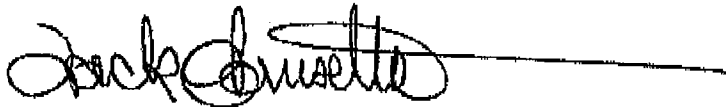
Mr. Franco Mola  
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4. **Draft Improvement PS&E** - Upon approval of the "conceptual" improvement plans (City, County and Caltrans), prepare a complete set of "draft" PS&E for all related "off-site" utility (water and sewer), roadway, signing, striping and signal improvements. The "draft" PS&E will be forwarded to the various public agencies (City, County, Caltrans and utility companies) for review and comment. This tasks also include our attendance at all required meetings.
5. **Final Improvement PS&E** - Upon receipt of all comments on the "draft" PS&E, make all required revisions and prepare the "final" set of PS&E. This task also includes our time required to address any final revision comments, as well as our attendance at any meetings.

Any additional work required to that described under the "Summary of Services" will be considered extra work; including, but not limited to, design changes requiring significant redesign work. Receipt of written authorization for any additional work required beyond the "Summary of Services" will be required prior to performing any additional work beyond what is specifically described in this proposal.

Our total estimated "NOT TO EXCEED" fee for the extended services is \$50,125. A detailed breakdown of the individual costs associated with each "Task" is attached for your review. If the "Summary of Services" and terms of payment are acceptable, please sign and return one (1) copy of the attached Authorization-to-Proceed form. If you have any questions regarding the contents of this proposal or need additional information, please contact me or Larry D. Hail at your earliest possible convenience.

Keith B. Higgins & Associates, Inc.  
Respectively Submitted,



Jack Frusetta, EIT  
Senior Associate

jcflldh:wp

attachment

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**Proposal To Provide Professional Traffic Engineering Services ( #A01-062 )**  
**Village Green Estates - Design of Off-Site Improvements; Gilroy, CA - Higgins Associates**  
 ( Fee Estimate - August 14, 2001 )

Proposal Work Tasks	Personnel and Hourly Billing Rates								Total Hours	Total Fee
	Pres. \$170	Princ. Assoc. \$143	Senior Assoc. \$138	Assist. Eng. \$90	Sn. Cad Tech \$85	Clerical \$58	Field Tech \$48	Count Tech \$37		
Task 1 - Utility Data Collection :		2	8		8		4		22	\$2,262
Task 2 - Develop Base Plans :		4	12		32		8		56	\$5,332
Task 3 - Finalize Conceptual Plans :	6	16	32	8	64				128	\$13,884
Task 4 - Draft PS&E :	4	8	24	4	128	12			180	\$17,072
Task 5 - Final PS&E :	2	6	16	2	85	8			119	\$11,275
<b>Total Hours :</b>	<b>12</b>	<b>36</b>	<b>92</b>	<b>14</b>	<b>317</b>	<b>20</b>	<b>12</b>	<b>0</b>	<b>503</b>	<b>\$49,825</b>
<b>Staff Expenses :</b>	<b>\$2,040</b>	<b>\$5,148</b>	<b>\$12,696</b>	<b>\$1,260</b>	<b>\$26,945</b>	<b>\$1,160</b>	<b>\$576</b>	<b>\$0</b>	<b>\$0</b>	<b>\$49,825</b>
<b>Travel Expenses :</b>										<b>\$150</b>
<b>Printing :</b>										<b>\$150</b>
<b>TOTAL PROPOSAL COST :</b>										<b>\$50,125</b>